

# HAWTHORN BANCSHARES, INC

	CPP Disbursement Date 12/19/2008	RSSD (Holding Company) 2038409	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$1,218	\$1,182	-2.9%		
Loans	\$978	\$885	-9.5%		
Construction & development	\$109	\$82	-24.5%		
Closed-end 1-4 family residential	\$219	\$194	-11.6%		
Home equity	\$12	\$14	9.3%		
Credit card	\$1	\$1	17.8%		
Other consumer	\$34	\$29	-15.6%		
Commercial & Industrial	\$134	\$111	-17.0%		
Commercial real estate	\$362	\$346	-4.4%		
Unused commitments	\$132	\$94	-28.6%		
Securitization outstanding principal	\$1	\$2	88.4%		
Mortgage-backed securities (GSE and private issue)	\$69	\$90	29.9%		
Asset-backed securities	\$0	\$0			
Other securities	\$83	\$89	6.4%		
Cash & balances due	\$25	\$51	106.9%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$28	\$32	15.9%		
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$30	\$37	23.2%		
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$1,092	\$1,061	-2.8%		
Deposits	\$972	\$960	-1.2%		
Total other borrowings	\$116	\$97	-16.3%		
FHLB advances	\$79	\$67	-15.5%		
Equity					
Equity capital at quarter end	\$125	\$121	-3.5%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	10.0%	10.0%	--		
Tier 1 risk based capital ratio	12.4%	12.9%	--		
Total risk based capital ratio	13.6%	14.2%	--		
Return on equity <sup>1</sup>	5.1%	-16.5%	--		
Return on assets <sup>1</sup>	0.5%	-1.7%	--		
Net interest margin <sup>1</sup>	4.0%	4.0%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	70.6%	38.2%	--		
Loss provision to net charge-offs (qtr)	128.2%	108.1%	--		
Net charge-offs to average loans and leases <sup>1</sup>	1.3%	3.3%	--		
<sup>1</sup> Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	4.1%	7.2%	0.2%	5.3%	--
Closed-end 1-4 family residential	2.6%	2.4%	0.8%	0.4%	--
Home equity	0.0%	0.2%	0.1%	0.0%	--
Credit card	0.0%	0.3%	0.3%	0.2%	--
Other consumer	0.8%	0.5%	0.3%	0.3%	--
Commercial & Industrial	1.5%	3.1%	0.6%	0.2%	--
Commercial real estate	2.2%	6.5%	0.1%	0.4%	--
Total loans	2.1%	4.2%	0.3%	0.9%	--